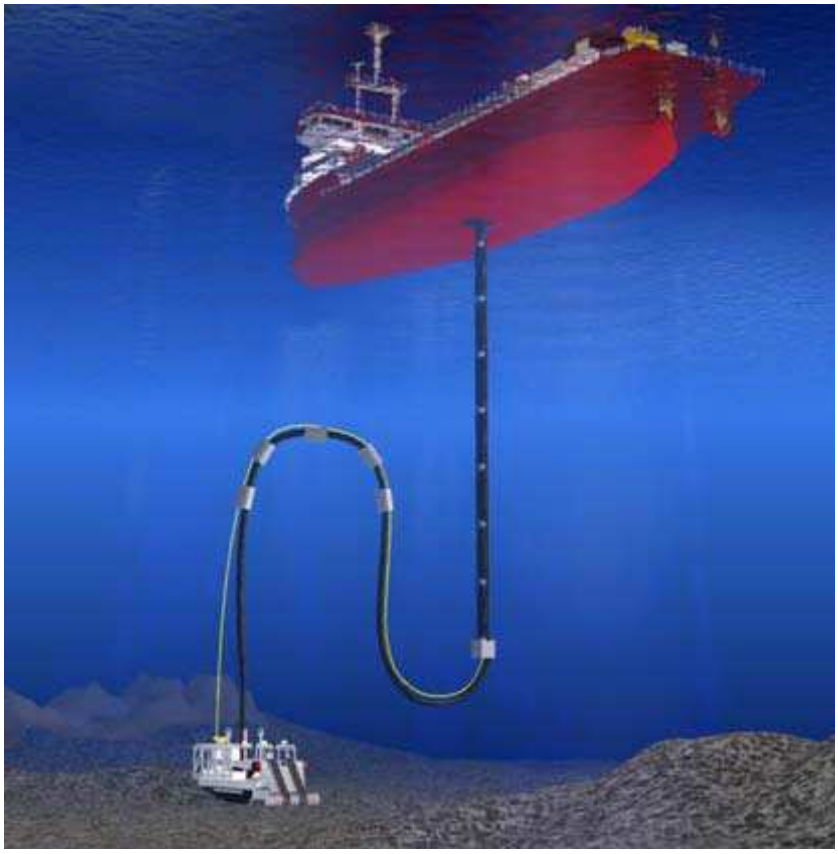
IHC Merwede and DEME join forces to develop deep-sea mining activities

IHC Merwede, a Dutch supplier of ships and equipment for dredging and mining activities, and DEME, a Belgian dredging and environmental services group, will enter into a joint venture for deep-sea mining activities. Under their cooperative agreement, IHC Merwede will be responsible for the development and construction of technical solutions, while DEME will be responsible for operations. Together the companies will offer a unique pioneering total solution. The joint venture will be known as OceanflORE.
The parties cooperating under the name **“OceanflORE”** (ORE stands for Ocean Reserve Extraction) will cater to meet the increasing demand for both expertise and exploitation techniques in the field of deep-sea mining. The joint venture between IHC Merwede and DEME is a logical step. Deep- sea mining is an important industry for IHC Merwede. The company has many years of experience and knowledge in the field of dredging, excavation techniques and deep-sea mining technology. DEME is a leading global player in the dredging and offshore market, and has highly specialised experience in the application of complex offshore hydraulic engineering technologies, even in extremely deep waters. Tideway, an OceanflORE group company, has high-tech equipment which can be deployed accurately even at depths required for mining. Another important advantage offered by the OceanflORE group is its extensive experience in the entire processing of mined material on a mining vessel before transportation to the mainland. These activities include both the integral processing of the extracted raw materials, and the washing and separation of materials. OceanflORE aspires to become the preferred partner of mine owners throughout the world for completing feasibility studies and deep-sea mining operations.



The demand for raw materials is expected to double during the coming decades. Existing sources on land will not be adequate to meet this demand. At the same time, the field of deep-sea mining techniques is developing increasingly rapidly and the technical feasibility is becoming evident. These trends have led to a growing interest in the possibilities offered by deep-sea mining throughout the world. Additionally, capital markets are more often willing to finance projects due to the increased certainties involved.
The OceanflORE joint venture will be in a position to take advantage of these developments. Combining the knowledge of IHC Merwede and DEME, feasibility studies carried out by OceanflORE will subsequently enable every important aspect of deep-sea mining to be developed, manned and operated. These aspects include underwater excavation, vertical transportation to the surface, processing on board the mining vessel and transportation to the harbour. This enables OceanflORE to provide a unique complete solution for deep-sea mining, including all aspects related to the financing of projects, plus comprehensive project management through the deployment of crew and ships, mining equipment and a processing plant. OceanflORE will carry out a study on the feasibility of mining phosphates in New Zealand territorial waters. The joint venture will also develop a pilot mining system.